



Volume XX

APPRAISAL BULLETIN

PUBLISHED IN THE INTERESTS OF REAL ESTATE ANALYST SUBSCRIBERS BY

ROY WENZLICK & CO.

Real Estate Economists, Appraisers and Counselors

AUGUST 14
1951

Number 38

Copyright 1951 by ROY WENZLICK & CO. Saint Louis

MEASURING QUALITY OF HOUSING AND ENVIRONMENT

MOST members of the appraisal profession are aware of the fact that some cities throughout the country are slowly adopting and beginning to enforce minimum standards housing ordinances of one form or another. A great deal of the recent impetus for this program has come either directly or indirectly from the American Public Health Association.

The American Public Health Association is a professional society of public health officials (similar in a way to the American Institute of Real Estate Appraisers). In 1939 their Committee on the Hygiene of Housing published "The Basic Principles of Healthful Housing," which formulated in specific terms essential health standards which should be met by housing. About the same time a Committee on Physical Standards and Construction of the National Association of Housing Officials published a companion report, "Practical Standards for Modern Housing."

By 1945 the APHA group had formulated a good portion of the program and methods which they now recommend. A pilot study on New Haven, Connecticut, had met with apparent success. While so far the program and methods have received comparatively little Federal recognition, the United States Public Health Service is now conducting training schools on APHA methods of appraising for all public health and city plan officials who are interested. Moreover, the Housing and Home Finance Agency looks with favor on these techniques as a means of providing proof for the need for reconstruction of urban areas, either by public or private agencies.

The Association has done a tremendous amount of research in developing its program and the techniques it recommends for evaluating the quality of residential structures and neighborhoods. During the postwar period it has become even more active and the number of cities cooperating with it (in one way or another) is continuing to grow. Among the major cities that have inaugurated these methods of appraisal (in varying degrees) are: St. Louis, Milwaukee, Philadelphia, Atlanta, Los Angeles, Miami and Baltimore.

The following statement, taken from the Survey Directors Manual* (January 1946), sets forth the broad and rather high purpose of the program:

"Effective programs for the control and rehabilitation of substandard housing

*"An Appraisal Method for Measuring the Quality of Housing."

areas require close definition and accurate measurement which will permit the delimitation of problem areas, evaluation of their deficiencies and the shaping of policies for conservation, rehousing or ultimate conversion to nonresidential use."

In other words, the purpose of the APHA program is to set up standards for judging and evaluating the quality of housing and environment in order to determine which areas are deficient (and in what way) and to help civil authorities shape the tools to remedy these deficiencies by conservation of the existing structures, slum clearance, or rezoning for commercial, industrial or public use.

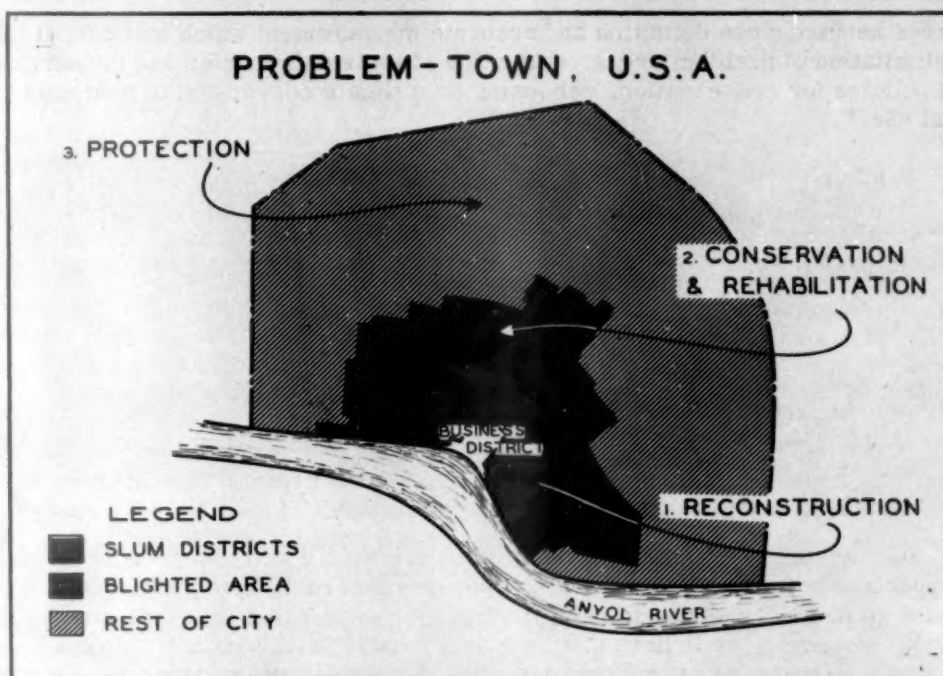
Among those individuals and groups to whom APHA looks for support in order to bring about the results it seeks are real estate developers and builders, trade unions, veterans' groups, building material manufacturers, architects and engineers, investors and lending institutions and governmental authorities, national, State and local.

Such an ambitious program slanted toward such a wide range of hoped-for supporters is bound to stir much controversy and raise much opposition, and while we do not subscribe to it in its entirety, we feel that its basic purpose is good. Moreover, we believe that the urban rehabilitation idea has enough steam behind it to carry out such a program with varying degrees of intensity in many cities of the United States.

Most of us are familiar with the shortcomings of the 1940 and 1950 Censuses of Housing, where only the bare bones of the housing inventory are presented, with no consideration of the dozens of other factors affecting the desirability and value of the neighborhood and its dwelling units. Structural and environmental surveys using APHA methods will give a universal yardstick which will fill in the gaps left by the 1940-1950 Censuses of Housing. Basically, these surveys are fact-finding and there is little necessity for the field worker to exercise judgment. It is in the analysis and interpretation of these facts where differences of opinion will probably arise.

It is expected by APHA that hand in hand with these surveys will go State and local legislation which will set up minimum standards housing ordinances and provide means for their enforcement. The surveys are being carried forward generally by three local departments, the health, building and city planning departments. Enforcement will usually be delegated to the building or health commissioner. In those cities thus far involved the enforcement of these minimum standards has been comparatively lax or non-existent due to incompleteness of the surveys, the recent housing shortage and the inability of landlords to comply while afflicted with the abnormally low rents allowed since 1942.

The appraisal of residential structures and environment by APHA methods is intended to give cities the factual basis for determining which areas can be



conserved and which are beyond conservation and must be rebuilt.

As shown on the accompanying map of "Problem-Town, U.S.A.," a three-way approach to the general problem of housing is being planned in a growing number of our cities:

1. Reconstruction of slum or obsolete areas.
2. Conservation or rehabilitation of so-called "blighted" areas.
3. Protection of good areas by adequate zoning regulations.

It is number "2," the large section of the city that lies between good and bad, in which the new local housing codes and minimum standards housing ordinances are expected to be effective. Through local enforcement of these laws APHA and city planning officials hope that these areas can be prevented from becoming our future slums.

While the first important contribution of the APHA appraisal surveys is to furnish facts for housing law enforcement in areas such as the solid blue on the above map, they are also expected to show clearly which blocks should be razed, and whether the environment of these blocks justifies future residential use. Some public housing projects, and now the urban redevelopment projects, have been or are being badly situated. We know of one public housing project, just nearing

completion, which is on a site virtually isolated from all other residential areas and is surrounded by expanding industries.

APHA survey results will reveal that many slum area structures would be forced out of existence if made to comply with strict housing codes. Cost of compliance for the owner would be prohibitive in light of low rent returns. On the other hand, good residential areas may profit along with so-called blighted areas (non-slum) with a strict housing code enforcement.

Administering such an enforcement program in large cities will be a tremendous and new undertaking. By necessity it will be conducted on a piecemeal basis. This may raise many objections from owners told to comply while others have not been reached. It will be difficult to convince owners that enforcement is needed in poor to average areas and not in the worst slum areas of cities.

It is contemplated, also, that a neighborhood plan will be prepared by city plan commissions in conjunction with the law enforcement. This planning will attempt to include revised street patterns when possible, to reduce traffic on residential streets, to enlarge school and playground facilities where needed, and, in general, to create a more desirable residential environment.

Just so soon as these programs become enforceable they will have a profound effect on the values of urban property and for that reason should be intensely interesting to members of the appraisal profession. Therefore, we will begin a series of bulletins in which we will attempt to cover all aspects of this program. We will attempt to enumerate and discuss its bad points as well as its good ones and we will analyze and present the various appraisal techniques developed by the APHA. Most of these techniques are good, some are bad, but they should all be familiar to the well-rounded appraiser.

BIBLIOGRAPHY

All of the following publications have been published by the American Public Health Association, 1790 Broadway, New York 19, New York:

"An Appraisal Method for Measuring the Quality of Housing" (1946)

Part I - "Nature and Uses of the Method"

Part II - "Appraisal of Dwelling Conditions"

Volume A - "Manual for Survey Director"

Volume B - "Manual on Field Procedure"

Volume C - "Manual on Office Procedure"

Part III - "Appraisal of Neighborhood Environment"

"Basic Principles of Healthful Housing" - Second Edition (1950)

"Planning the Home for Occupancy" (1950)

"Planning the Neighborhood for Occupancy" (1948)